Amendment to Central Sales Tax Act, 1956

674. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Government are considering to amend the Central Sales Tax Act, 1956, to resolve the Inter-State disputes and avoid imposition of double burden of tax on Assesses; and

(b) if so, what are the salient features of the proposed amendments?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI SHRIPAD YESSO NAIK): (a) and (b) Yes, Sir. There is a proposal to amend Sections 19,20,21,22,25 and 26 of the Central Sales Tax Act, 1956.

Expert Panel on Companies Act

675. SHRI RAMA MUNI REDDY SIRIGIREDDY: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Expert Panel on the Companies Act and the Partnership Act suggested for creation of a separate category of companies, to be called as 'small private companies' and also suggested to exempt them from compliance with the general company law provisions;

(b) if so, the details of the major recommendations, apart from the above made by the expert panel;

(c) whether there is any provision in the proposed new category of companies with regard to closure of defunct companies; and

(d) if so, the details thereof?

THE MINISTER OF FINANCE (SHRI JASWANT SINGH): (a) Yes, Sir.

(b) Major recommendations made by "The Committee on Regulation of Private Companies and Partnerships" include:

(i) creation of a new category of companies namely "small private company" which should be exempted, with certain safeguards, from several procedural provisions of the Companies Act, 1956;

(ii) establishing a framework for Limited Liability Partnerships (LLPs);